



Chapter Eight

CONSULTANT DEVELOPED
AND/OR DESIGNED PROJECTS

BUREAU OF DESIGN AND ENVIRONMENT MANUAL

Chapter Eight
CONSULTANT DEVELOPED AND/OR DESIGNED PROJECTS

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CHAPTER EIGHT

CONSULTANT DEVELOPED AND/OR DESIGNED PROJECTS

Chapter 8 documents the Department's policies and procedures to use when processing consultant developed and/or designed projects.

8-1 DEFINITIONS AND PROCEDURES

8-1.01 Definitions

The following definitions apply to Chapter 8:

1. Additional Services. Any service or action required of the Consultant not identified in the Agreement or any Supplemental Agreement.
2. Agreement. The legal instrument or negotiated contract defining the obligations and considerations of the signatory parties. The term "Agreement" includes all Supplemental Agreements.
3. Bureau Chief. The Department's officer named in the Agreement who shall approve any change or additional work authorization.
4. Consultant. The firm providing professional services as a party to the Agreement.
5. Department or IDOT. The Department of Transportation of the State of Illinois.
6. Department or IDOT Internet Site. <http://www.dot.state.il.us>.
7. Director. The director of the division or office of the Department who is in charge of the services under the Agreement.
8. District Engineer. The engineer in charge of the district which has jurisdiction over the services.
9. Fixed Fee. A specified dollar amount to cover profit and certain business expenses based on the assigned complexity factor (see Exhibit 2 in Section 8-6) of the project.

10. Liaison Managers. The duly authorized representatives of the Department and the Consultant charged with day-to-day administration of the terms of the Agreement.
11. Pregualification. A condition that shall be met before consideration is given.
12. Project Schedule. A comprehensive description of all significant services required of the Consultant and of all actions required of the Department and approving parties by the obligations of the Agreement, together with the durations and/or dates for performing these services and actions.
13. Scope of Services (Advertised). All services and actions required of the Consultant as advertised in the Professional Transportation Bulletin.
14. Scope of Services (Negotiated). All services and actions required of the Consultant by the obligations of the Agreement.
15. Subconsultant. Any independent professional firm, person, or organization who, with the approval of the Department, performs a part of the services for the Consultant.
16. Supplemental Agreement. An additional agreement modifying the original signed Agreement.
17. Service. All engineering and related services and the furnishing of all equipment, supplies, and materials required to achieve the broad purpose and general objectives of the Agreement.

8-1.02 Acronyms

The following are common terms used with consultant developed and/or designed projects:

1. AA. Affirmative Action.
2. A/E. Architectural-Engineering.
3. AFC. Annual Fee Capacity.
4. AU. Agreements Unit.
5. BAA. Bureau of Accounting and Auditing.
6. BDE. Bureau of Design and Environment.
7. CA. Certification Acceptance.

8. CAAS. Consultant Agreement Approval Sheet.
9. CECS. Cost Estimate of Consultant Services.
10. CEUF. Consultant's Employee Utilization Form.
11. CFR. Code of Federal Regulations.
12. COD. Contract Obligation Document.
13. CPFF. Cost Plus Fixed Fee.
14. CU. Consultant Unit.
15. DLM. Direct Labor Multiple.
16. EEO. Equal Employment Opportunity.
17. FHWA. Federal Highway Administration.
18. OMB. Office of Management and Budget.
19. OP&P. Office of Planning and Programming.
20. PSU. Project Support Unit.
21. PTB. Professional Transportation Bulletin.
22. QA/QC. Quality Assurance/Quality Control.
23. SAPCS. Standard Agreement Provisions for Consultant Services.
24. SEFC. Statement of Experience and Financial Condition.
25. TS&L. Type, Size, and Location Plan.

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8-2 PREQUALIFICATION AND SELECTION

8-2.01 Use of Consulting Engineering Firms

Extensive engineering activity is required to complete the Transportation Improvement Program (e.g., performing necessary studies, preparing construction plans and specifications for advertising construction projects, and inspecting construction activities). To accomplish the Program without appreciably increasing the number of IDOT personnel or performing services for which the Department does not have specialized expertise, the Department uses outside consulting engineering firms.

8-2.02 Prequalification of Consultants

All Architectural-Engineering (A/E) Consultants desiring to provide services to the Department, whether as prime or subconsultant, are prequalified before any consideration is given to their respective Statements of Interest (see Section 8-2.04(a)). Prequalification must be obtained no later than the final date established for the receipt of Statements of Interest for any particular work. However, a Consultant that is prequalified for one or more types of work on the final date established for the receipt of Statements of Interest may submit supplemental information as necessary to establish prequalification for additional types of work. This supplemental information must be received no later than three working days prior to the Consultant Selection Committee meeting (see Section 8-2.05(a)). The following items discuss the prequalification procedures:

1. SEFC Filing. A properly completed Statement of Experience and Financial Condition (SEFC) form with required attachments must be filed with the Division of Highways, Bureau of Design and Environment, Consultant Unit (CU); see IDOT's internet site. Because of varying workloads, the Department cannot guarantee that a SEFC will be processed by a particular date. Therefore, any Consultant desiring prequalification for a particular project should file its SEFC as early as possible.
2. Prequalification Notification. The BDE analyzes the SEFC and attachments and notifies the Consultant of the size and types of services it is qualified to perform. When this notice is given, the Consultant is prequalified. The size of service that a Consultant is qualified to perform is based on its annual fee capacity.
3. Annual Fee Capacity. A Consultant's annual fee capacity is an evaluation of its technical and professional staff's ability to generate an annual volume of work. To estimate the maximum annual fee capacity of a Consultant to perform transportation or architectural work, the larger of the fees computed by the following two methods is used:
 - the fee produced by multiplying the total number of technical staff by \$100,000, or

- the fee produced by multiplying the total number of professional staff by \$400,000.

To determine the annual fee capacity of Consultants performing aerial mapping services only, the figure of \$360,000 per plotter is considered appropriate. The following presents general application guidelines:

- a. Determining Performance Ability. To determine a Consultant's ability to perform a project, the total uncompleted volume of transportation-related work is subtracted from the annual fee capacity, as determined above, to arrive at an unobligated fee capacity. Appropriate consideration is given to instances where a Consultant's uncompleted work is expected to extend over a period of more than one year. To be eligible for consideration, such unobligated fee capacity shall equal or exceed the estimated annual fee of the project for which the Consultant is seeking to perform.
 - b. Determining Staff Sufficiency. To determine whether a Consultant is sufficiently staffed to do a construction supervision project, the estimated overall fee for the project is reduced by one-half for the comparison to account for the Consultant possibly adding to its staff for this type of work.
4. Period of Effectiveness. The prequalification notice provided in Item 2 above will be effective, unless otherwise changed by the Department, from the time notice is given until six months after the end of the Consultant's current fiscal year. At that time, the prequalification automatically expires and the Consultant's Statement of Interest cannot be considered until prequalification is re-established. To avoid expiration of its prequalification, a Consultant updates and submits the Corporate and Financial Information section of the SEFC as early as practical after the end of each of their fiscal years. In addition, Consultants whose firm name begins with A-H should submit the remainder of the SEFC (i.e., the Experience and Staffing Information section) in even years (e.g., 2002, 2004, etc.). Consultants whose firm name begins with I-Z should submit the remainder of the SEFC in odd years (e.g., 2003, 2005, etc.).
 5. Changes Within the Consulting Firm. Each Consultant notifies the Department within 15 working days of key personnel changes that would cause the Consultant to lose its prequalification in any category.
 6. Evaluation and Prequalification Status. A Consultant may be removed from the list of prequalified firms for a particular type of service if a final evaluation of its work for the Department indicates that this service was determined to be poor on a single project or substandard on two or more projects. For specific information on consultant evaluations, see Section 8-4.05. The Consultant is reinstated only after submitting sufficient evidence that these deficiencies have been corrected.

7. Prequalification Inquiries. All inquiries regarding the procedures or information required for prequalification are referred to the BDE.
8. Confidentiality of Information. The Department will maintain and treat all information required under this section as confidential for use only by the Department or other governmental agency entitled by law or agreement.
9. Categories of Service. The Department prequalifies A/E Consultants in the categories of service. A description of the work involved in the areas of specialization and the minimum requirements are included. This information is available on the Department's internet site.
10. Professional Licensing and Registration. If the minimum requirements dictate Illinois licensing or registration, that individual shall be a full-time employee who has acted in a leadership role on relevant projects. Consultants, committing or pledging individuals, or persons on retainer cannot be used to meet the minimum requirements for prequalification, except as under Section D — Environmental Reports. See Description and Minimum Requirements for Prequalification on IDOT's internet site. The experience of these licensed or registered individuals shall be relevant to the category of transportation work and the work shall have been performed within the last five years. For the category of Structures, the last ten years of experience will be considered. See IDOT's internet site Description and Minimum Requirements for Prequalification, under Section A Items 3b, 3c, and 3d.
11. Support Staff Experience and Training. Consultants also shall have a support staff of engineers and/or technicians with relevant experience or training. The lack of relevant experience or training of the support staff may result in denial of prequalification.
12. Required Documentation. Consultants requesting prequalification in any area of specialization will be required to send documentation of their previous work outlining:
 - firm and key employee pertinent experience, and
 - capabilities of current staff.

The Department may, at its discretion, make on-site visits to the Consultant's office to verify the information set forth in the SEFC document submitted.

8-2.03 Request for Consultant Services

Use the following general guidelines when requesting consultant services:

1. Consultant Need Determination. A district or bureau requiring A/E services submits detailed information to its director concerning the need and scope of work required. The director will review the request to ensure that:

- the project is contained in the Department's program,
 - the project is appropriate in scope, and
 - the work cannot be performed by another district or bureau.
2. Project Selection Proceedings. The director, when satisfied that the A/E services are necessary and appropriate, initiates selection proceedings. The Consultant Unit (CU) requests divisions, districts, and bureaus submit candidate projects approximately four weeks prior to publishing a Professional Transportation Bulletin (PTB).
3. Preparation of Form A/A-1. Use Form A/A-1, see IDOT/MS Word "Forms" button, to justify requests for A/E firms to perform engineering services. Use the following guidelines when preparing Form A/A-1:
- a. Transmittal Memorandum. Prepare a transmittal memorandum to accompany Form A/A-1 that lists, in priority order, all projects being submitted and indicate recommendations for combining two or more program line items into one consultant developed and/or designed project.
 - b. Multi-Part Candidates. Prepare a separate Form A/A-1 for each part of a multi-part candidate. These are small jobs, usually located in close proximity to each other, that the Department advertises as a single project (e.g., three rural bridges located on the same route).
- A detailed cost estimate is prepared by the submitting district or bureau ensuring adequate funds are programmed for the advertised project. Where insufficient funds are programmed, the district or bureau works with OP&P to secure the necessary funds.
- c. Proposed Project Advertisements. In conjunction with Form A/A-1, the requesting district or bureau submits a proposed advertisement for the PTB. The project can be advertised after approval by the division or office director. The description is prepared in the PTB format and sent to the CU for review, coordination, final preparation, and issuance. Use the PTB guidelines and the sample advertisements, provided in Exhibit 1 in Section 8-6, when preparing highway project advertisements. Exhibit 1 also may be used to prepare advertisements for other transportation modes.
 - d. Urgent Consultant Need. If a requesting agency determines that the selection of a Consultant is urgent and special advertisement is required, furnish justification for this action to the appropriate director with the original Form A/A-1.
4. Dissemination of Materials. After all divisions and districts have submitted Forms A/A-1 and advertisements to the CU, the information is distributed to the following individuals for comment:

- Deputy Director of Program Development,
- All affected Division of Highway bureau chiefs,
- Director of the Office of Planning and Programming,
- Bureau Chief of Statewide Program Planning, and
- Section Chief of Program Management.

5. PTB Advertisement Meeting. Comments on the distributed materials are collected and are presented along with short project descriptions at a meeting held with the following individuals:

- Deputy Director of Program Development,
- Bureau Chief of Statewide Program Planning,
- Section Chief of Program Management,
- Section Chief of Preliminary Engineering, and
- Unit Chief of the Consultant Unit.

The outcome of this meeting is a final list of projects advertised in the next PTB. If any projects are dropped from the list to be advertised, the director, district engineer or bureau chief is informed of the reason(s) for not advertising the projects.

8-2.04 Advertisement of Need

Official notice of the need for architectural or engineering services being procured by the Department is published in an IDOT Professional Transportation Bulletin (PTB). Such notice describes the requirements of each project as they apply to:

- the project's scope of work;
- the time for completion;
- the necessary professional and technical expertise; and
- the required proximity of the Consultant to the district or bureau in charge of the work, if applicable.

A copy of the PTB is available for downloading from the Department's internet site.

8-2.04(a) Statements of Interest

All Consultants desiring to be considered as a prime Consultant for a project submit a Statement of Interest by the date and to the locations specified in the PTB. The PTB specifies

the types of information included in the Statement of Interest. This information includes, but is not confined to the following:

- a staffing plan that designates the key personnel and shows the number and classification of personnel that will be assigned to the project, along with their current office location, and any work that the Consultant proposes to subcontract;
- estimated time requirements for completion using the proposed staff;
- the known work load of the Consultant's transportation staff; and
- the existing office where the majority of the work will be performed.

8-2.04(b) Confirmation of Eligibility

The Department determines the eligibility of each Consultant that responds to a project advertisement. A Consultant is considered ineligible from the selection process for any of the following reasons:

- the Statement of Interest was not received by the deadline or by the specified parties;
- the firm is not prequalified for the type(s) or volume of services required;
- the firm does not have sufficient expertise or work force for the particular job;
- the firm does not have a sufficient financial rating or accounting system for the type of contract contemplated; or
- when the Consultant is retained to prepare construction plans for a facility, which will carry railroad traffic, the owning railroad determines that the particular Consultant is unacceptable.

Any Consultant determined to be ineligible under this section is notified of such determination and the reason(s) therefore.

8-2.04(c) Preliminary Review and Ranking

Following the confirmation of each Consultant's eligibility, the director of the requesting division or office, or the director's designated representative(s), reviews each firm's experience data, Statement of Interest, and any evaluations of previous work for the Department. Based upon this review, each candidate firm is ranked in order of apparent ability to perform the work. This review and ranking will take into consideration at least the following factors:

- previous experience in the type(s) of service required;
- the staffing plan and specific expertise of key employees;
- the plan for accomplishing the objectives, if applicable, as stated in the requirements of the PTB;
- the Department's evaluations of prior contractual services with IDOT, if any; and
- comments furnished by the requesting division or office.

Depending upon the type of project and the method of payment, the following factors also may be important in selecting a Consultant:

- the location of the Consultant's office in which the majority of the work on the project will be performed; and
- the Consultant's total overhead rate, as approved in the Department's Prequalification Notice.

The Consultant Selection Committee (CSC) reviews information including the ranking of each Consultant and the additional information described above. The information also indicates those Consultants determined to be women or disadvantaged business enterprises in accordance with the Department's eligibility criteria.

The CSC determines the projects which, by their nature and the corresponding qualifications of the proposing minority-owned firms, are suitable for implementing in an applicable affirmative action program. Any unresolved differences between the reviewers will be brought to the attention of the CSC.

All information developed or provided under this section is advisory only and has no binding effect upon the CSC. The Department maintains and treats all such information as confidential for use only by the Department or other governmental agency entitled by law or agreement.

8-2.05 Consultant Selection

8-2.05(a) Consultant Selection Committee

The Consultant Selection Committee (CSC) consists of the following members:

1. Chairperson. The Director of Highways, or such other person as designated by the Secretary, serves as member and chairperson of a six-member CSC.

2. Department Members. Three of the remaining five members of the CSC are from the Department. Specifically, they are:

- the director of the requesting division or office or that director's designee, for the Division of Highways this is the Deputy Director of Program Development;
- the District Engineer, or designee, or the bureau chief, or designee, from the same division or office, as designated by the director; and
- the Director of the Office of Planning and Programming, or designee.

The Chief of the Consultant Unit serves as Secretary of the CSC and does not have the power to vote.

In the event that the office requesting the services is the Office of Planning and Programming, the CSC meets and operates as normal except the Director of Planning and Programming has only one vote and the CSC has only five members and five votes.

3. Public Members. The other two members of the CSC are from the public and have professional experience in transportation or engineering. One is appointed by the Secretary of Transportation and the other by the Illinois Society of Professional Engineers (ISPE). Each public member is appointed for a term of two years. If a public member does not complete the term, another member is appointed by the Secretary or the ISPE, in accordance with the original appointment, to serve the remainder of the uncompleted term.

The CSC will meet when called by its Chairperson. This meeting is usually scheduled approximately 7-8 weeks after the consultant Statement of Interests are due. The selection date is stipulated in the Professional Transportation Bulletin.

To conduct business, the CSC shall have a quorum. A quorum will consist of at least four members; at least one of who is a public member.

Where another governmental body, or bodies, is contributing to the funding of a particular contract, the Department may, at its option, take either of the following two actions:

- Permit such governmental body, or bodies, to provide one or more representatives to serve as member(s) of the CSC with a total of one vote, or such fractional vote as may be prescribed by the Department. In some instances, this option may result in a total CSC membership of more than six and a total number of votes in excess of six, with respect to the affected services.
- Select a number of Consultants, typically three, in the typical manner, except such selection will be with no order of preference; the Department then may permit the

governmental body, or bodies, to select one Consultant from that group selected by the CSC.

8-2.05(b) Selection Procedures

The following procedures are used when selecting the Consultant:

1. Preliminary Vote. CSC members review the rankings for the Consultants, as well as any of the additional information described in Section 8-2.04(c) and, by voice/electronic vote, reduce the number of Consultants under consideration to three, or fewer where fewer than three have submitted acceptable Statements of Interest.
2. Written/Electronic Ballot. First, second, and third choices are determined by a plurality vote of those CSC members in attendance. This second round of voting is by written/electronic ballot. In determining these choices, the CSC gives due consideration to the rankings provided by the reviewers.
3. Policy Against Multiple Awards. Selection of a single Consultant as first choice for more than one project is not made in a single session unless such selection is determined necessary, the reasons therefore are recorded in the CSC's records, and a majority of the committee members approve, by written ballot, such reasons. For purposes of this part, "single session" means and includes one or more meetings necessary for the CSC to make all selections from a single Professional Transportation Bulletin.
4. Identity of Firms. The identity of the second and third choice is maintained and treated by the Department as confidential for use only by the Department or other governmental agency entitled by law or agreement. However, if negotiations fail with the first choice Consultant, the identity of the second choice Consultant then is considered public information. Similarly, if negotiations fail with the second choice Consultant, the identity of the third choice Consultant is considered public information.
5. Notification of Selection. Selected Consultants are notified by telephone or e-mail of the following information:
 - PTB and item number of selection;
 - date and time of negotiation meeting;
 - DBE requirements, if applicable;
 - complexity factor, see Exhibit 2 in Section 8-6; and

- request for current payroll by employee, classification, hourly rate, raise schedule, and any direct costs for their firm and any proposed subconsultants.

An announcement of selected Consultants will be available from the Department's internet site and e-mailed to all prequalified consultants the day after selection.

8-3 AGREEMENT NEGOTIATION AND PROCESSING

8-3.01 General

The director or that director's representative initiates negotiations with the selected Consultant. For district requested projects, the District Engineer, or his/her representative, initiates negotiations. If a successful conclusion cannot be obtained, negotiations are formally terminated with that Consultant. Negotiations with the second choice Consultant are then initiated. Similarly, if negotiations fail with the second choice Consultant, negotiations with the third Consultant are initiated. Prior to the second choice consultant being contacted, the director's concurrence is required.

The term "negotiation" includes all of the steps necessary, following the selection of a Consultant, to arrive at a signed Agreement and to authorize the work. This includes negotiation meetings to reach agreement on:

- scope of work,
- man-hours,
- schedule of completion,
- subcontracted work, and
- non-salary direct costs.

Negotiations also include:

- reaching agreement on the acceptable average payroll rates for the project;
- approving the detailed fee estimate and proposal from the Consultant and obtaining authorization from the Federal Highway Administration when Federal participation is anticipated;
- obtaining the Bureau of Accounting and Auditing's approval of the Consultant's and any proposed subconsultant's payroll and direct cost rates;
- obtaining signatures to the Agreement; and
- authorizing the work.

8-3.02 Scope

8-3.02(a) Scope of Services Meeting

The scope of services meeting is the first step in the process leading to the execution of an Agreement and authorization to proceed with the work. For simple and typical projects, the

scope of services can be determined in one meeting whereas more complex jobs may require multiple meetings to delineate the scope of work. The initial scope of services meeting is specified in the project advertisement in the Professional Transportation Bulletin.

The representative of the district, or other user agency, chairs the meeting, records attendance, distributes data, and informs the Consultant to keep minutes of the meeting and furnish the minutes to those in attendance. The chairperson furnishes the Consultant and Subconsultants with the following items:

- Standard Agreement Provisions for Consultant Services (SAPCS), see IDOT's internet site;
- Architectural and Engineering Report and Negotiation Guidelines for Engineering Agreements and Supplements, see BDE Procedure Memorandum 17-xx; and
- Quality Assurance/Quality Control Guidelines, see BDE Procedure Memorandum 16-xx.

The district or bureau is responsible for preparing and emailing the scope of work and schedule to the Agreements Unit Chief in BDE.

The chairperson answers questions about the SAPCS and discusses Equal Employment Opportunity and Affirmative Action Plan requirements. The Consultant is asked to review the Architectural and Engineering Report and Negotiation Guidelines for Engineering Agreements and Supplements and to be prepared to answer the questions in the report.

Final scope details may be completed in subsequent negotiation meetings.

The Department's representative explains in detail the method of reimbursement. The chairperson also informs the Consultant if a Start-up Agreement will be requested from the central office and/or if this project will be under "no" review or "limited" review by the Department. The Consultant is instructed to review all the material furnished at the scope of services meeting and prepare man-hours, average hourly rates, and direct non-salary costs for the project. Subsequently, the Consultant submits, on Department forms or facsimiles, the Cost Estimate of Consultant Services (CECS), Average Hourly Payroll Rates, and an itemized listing of non-salary direct costs. The district representative urges the Consultant, if he/she has not previously done so, to submit to BDE their and any Subconsultants' payroll rates and direct costs to facilitate the agreement process. The Consultant also includes in its submittal those same items for all Subconsultants that are to be used on the project.

8-3.02(b) Scope of Work

A well-defined scope of services facilitates the negotiation process. The better the understanding of the scope of services between the Consultant and the Department, the easier

it is to develop a fee that is acceptable and reasonable to both parties. It is vital that all parties become familiar with the project. To this end, a preliminary engineering information package containing all the pertinent project information is mailed overnight by the district to the selected Consultant immediately after selection notification, allowing the Consultant and the Subconsultants to be active participants during this phase. The final negotiated scope, by law, must fall within the advertised scope for the project. However the negotiated scope does not need to be as all-inclusive as the advertised scope.

The overall scope of work is described and the schedule of completion is discussed, on which general agreement is reached for these items. The Consultant is notified if the work will proceed using "no" review or "limited" review process. The Consultant is reminded of the Department's policy concerning Quality Assurance/Quality Control (QA/QC), is asked to submit a project specific QA/QC plan for review and approval, and to include specific hours for QA/QC in his/her proposal. Also included in the Consultant package for Phase II work are specified hours for consultation during Phase III of the project. The Consultant is furnished preliminary information pertinent to the work, such as:

- Phase I study reports,
- environmental documents,
- aerial photography,
- mapping studies,
- traffic data,
- survey data,
- old plans, and
- samples of final product format.

8-3.03 Methods of Compensation

The following are the methods of compensation used by the Department:

- direct labor multiple (DLM);
- cost plus fixed fee (CPFF);
- lump sum, only used when supplementing an existing lump sum prime agreement;
- variable lump sum, only used when supplementing an existing variable lump sum prime agreement;
- unit of work; and
- specific hourly rates.

The contract shall specify a maximum amount payable for direct labor, for direct costs, and a total contract amount, none of which shall be exceeded unless adjusted by a contract modification. The method of compensation for work by a Subconsultant is the same as the Prime Consultant's method of compensation, except for work listed under Cost Plus Fixed Fee (CPFF) below.

8-3.03(a) Direct Labor Multiple (DLM)

This method of payment compensates the Consultant for actual direct costs incurred plus a specified multiplier on the actual direct payroll used for the project. Thus eliminating the need for auditing of Consultants' overhead and fringe benefits (oh & fb). Use this method on all projects funded with State funds except as noted under Cost Plus Fixed Fee. The Consultant is encouraged to be innovative and efficient in completing the terms of the contract. To this end, an efficiency factor (See Section 8-4.06(b)) of 50% is applied to the difference between the direct labor with the multiplier in the contract (negotiated direct labor) and the actual direct labor with the multiplier. The multiplier for Phase I and Phase II type work is 3.0 and for Phase III, construction engineering the multiplier is 2.8. These multipliers are adjusted based upon the complexity factor R (see Exhibit 2 in Section 8-6) for the project.

8-3.03(b) Cost Plus Fixed Fee (CPFF)

This method of payment compensates the Consultant for actual payroll, oh & fb, and direct costs plus a fixed fee. Use this method of payment on work involving aerial mapping, geotechnical engineering, special waste, and asbestos abatement. On these types of work, advertised as CPFF, the Consultant may request to use the DLM method of compensation. Use this method of payment on all projects using Federal funding. The efficiency factor is also applied to CPFF contracts. This is the negotiated direct labor minus actual labor plus overhead.

8-3.03(c) Lump Sum

This method of payment compensates the Consultant for negotiated payroll, oh & fb, direct costs, and a fixed fee. Use the lump-sum method of payment for work when supplementing an existing contract where lump sum is the method of compensation.

8-3.03(d) Variable Lump Sum

This method of payment is similar to the lump-sum method except that all components of the costs are fixed except for the oh & fb rate. A provisional oh & fb rate is used to establish the variable lump sum. The oh & fb element is adjusted after the project is completed using a weighted average oh & fb rate based on actual audited oh & fb rates experienced by the

Consultant over the life of the project. Use the variable lump-sum method of payment when supplementing an existing contract where lump sum is the method of compensation.

8-3.03(e) Unit of Work

Unit of work involves compensating the Consultant in units such as “each” or “feet.” Rates are established in the Agreement and include all costs including profit. The unit-of-work method of payment often is used for geotechnical, thermographic, ground penetrating radar, and special waste contracts.

8-3.03(f) Specific Hourly Rates

Specific hourly rates include salary, oh & fb, and a fixed fee. The rates are established by payroll classification and will be listed in the Agreement. The oh & fb component will be either fixed or variable as specified in the Agreement. The specific hourly rates are used to compensate for additional work on lump sum and variable lump-sum contracts. Specific hourly rates also are used in work order contracts to establish the upper limit of compensation for each work order.

8-3.04 Negotiations

The negotiation meeting is one of the most important steps to the success of the project. It is vital that all parties become familiar with the project and come prepared to participate in the meeting. The project team for both the Department and the Consultant, including Subconsultants, should be active participants in this phase.

The end result of the negotiation process should be a well thought out and clearly documented understanding of the anticipated project scope and level of effort. The Department and the Consultant’s representatives (i.e., individuals with the authority to modify original man-hour estimates) will negotiate to clarify the extent of the effort involved in completing various work tasks. To be successful, it is essential that the Department’s representatives prepare an independent man-hour estimate prior to advertising the project and provide to the Consultant immediately after notification of selection the “Consultant Scoping and Negotiation Check Sheets” for the project.

The negotiations should culminate with agreement on the following items:

- scope of work,
- project schedule,
- man-hours required,
- average hourly rates,
- direct costs,

- QA/QC plan,
- QA/QC hours specified,
- Phase III hours in Phase II projects, and
- each of the above items for any Subconsultants.

8-3.05 Cost Proposal Packages

After negotiations have been completed, the Consultant will submit the proposal to the district/bureau. Instructions and forms for preparing the proposal are available on the Department's internet site. The district/bureau will verify that the proposal is consistent with the negotiations, BDE Procedure Memorandum 17-xx is completely filled out, the proper CECS forms were used, and then submit the proper number of copies to the Agreements Unit for further processing. The proposal package contains the following items for the appropriate type of project:

1. Prime Agreement Proposal Package. This will consist of the following:
 - District's Independent Man-hour & Direct Cost Estimate,* separate from the A/A-1 form;
 - Draft Scope of Work With Schedule (Bar Chart)*;
 - BDE Procedure Memorandum 17-xx;
 - Negotiation Meeting Minutes;
 - Cost Estimate Of Consulting Services (CECS), including QA/QC and Phase III hours/costs broken out;
 - Average Hourly Rates (Item/Overall);
 - Approved QA/QC Plan;
 - Consultant Employee Utilization Form (EEO 1981);
 - EEO/AA/Title VI Section Form (BDE 2350);
 - Direct Costs;
 - Consultant Agreement Approval Sheet*, if applicable; and
 - Consultant Scoping and Negotiation Check Sheets;

* E-mailed to the Agreements Unit Chief in the Bureau of Design and Environment.

2. Sub-Consultant Agreement Package. This will include the following:

- Draft Sub-Consultant Agreement **,
- Cost Estimate Of Consulting Services (CECS),
- Average Hourly Rates (Item/Overall),
- Approved QA/QC Plan,
- Consultant Employee Utilization Form (EEO 1981),
- EEO/AA/Title VI Section Form (BDE 2350), and
- Direct Costs.

**Approved Subconsultant agreement must be received within 30 days of the Prime Consultants' authorization to proceed.

3. Various/Various Prime Agreement Package. This will include the following:

- Draft Scope of Work,
- BDE Procedure Memorandum 17-xx,
- Negotiation Meeting Minutes,
- Approved QA/QC Plan,
- Consultant Employee Utilization Form (EEO 1981),
- EEO/AA/Title VI Section Form (BDE 2350), and
- Direct Costs.

Three copies of the completed proposal package should be submitted.

The appropriate areas in the central office are transmitted copies by the Bureau of Design and Environment. The district/bureau memorandum transmitting the proposal packages to the Agreements Unit shall clearly state concurrence and recommendations. For Prime Agreements that exceed the estimated fee by more than 10%, the transmittal package includes a Consultant Agreement Approval Sheet (CAAS) stating reasons for the cost overrun with costs and man-hours for each reason. The transmittal package for all Agreements over 10% of the estimated fee presented to the Selection Committee include the CAAS stating what is involved, why it is being added, the cost for each item involved, and why the Consultant is entitled to additional compensation.

8-3.06 Agreement Processing

Upon receipt of the proposal package from the district/bureau, the following steps are taken:

- Send all rates and/or direct costs not previous received to the Bureau of Accounting and Auditing (BAA) for review.

- The program numbers are verified through the Office of Planning and Programming (OP&P).
- Federal authorization is requested from the Program Support Unit of the BDE for jobs that will be Federally funded.
- Extensions and escalations are completed using the Audit report from BAA.
- Send the Preliminary Engineering Approval Record (PEAR) sheet, which contains the scope of work, man-hours and schedule, to the appropriate areas within the central office for concurrence, if applicable.
- Assure QA/QC hours of all projects and Phase III hours in a Phase II contract are broken out separately.
- Assure the Consultant disclosure information and insurance requirements are current, complete, and approved;

The Agreements Unit reviews and makes any needed modifications to the Agreement after receiving input from BAA and other interested offices of the Department.

The Agreements Unit resolves any audit findings in the BAA report. This may involve discussion with the district/bureau, Consultant, and the BAA. After all audit issues, scoping issues, and extension and escalation issues have been mutually resolved, the Agreement will be sent to the Consultant for signature. The Consultant reviews the Agreement, signs the Agreement but does not date the Agreement, and returns all copies to BDE. BDE obtains the appropriate signature(s) on behalf of the Department on the Agreement and the Agreement Managers verbally authorize the Consultant to proceed with the work. The district/bureau will be informed that the Consultant was authorized to proceed. A fully executed copy is sent to the Consultant and an original copy is placed on file in BDE. The district/bureau will receive a copy of the Agreement and an approved Contract Obligation Document. Work done prior to authorization to proceed is not eligible for reimbursement.

8-3.07 Funding Approvals and Federal Authorizations

The procurement procedures as described in this Section will be used for all A/E Consultant Agreements except for those applications for major architectural services. Major architectural services are currently provided through the Capital Development Board.

Upon receipt of a proposal package from the district/bureau, the Agreements Unit requests verification of the program code number and the type of funds (State or Federal).

When Federal funds are to be used, the Agreement Manager requests the Program Support Unit (PSU) in the BDE obtain Federal authorization. The PSU requests FHWA's authority to proceed with the work. Once authorization is received, a copy of this request and the FHWA authorization furnished by the PSU is included in the project file. Work done prior to FHWA authorization is not eligible for Federal participation.

Compliance with all aspects of 23 CFR Part 172 and OMB Circular No. A-102 is required and shall be documented. Lead-time of three weeks is estimated for obtaining FHWA authority to proceed, provided the district/bureau has submitted prerequisite programming material (OMB Standard Form 424).

8-3.08 Bureau of Accounting and Auditing Approvals

When the selected Consultant is notified of their selection, current payroll by employee and classifications, hourly rates, raise schedule, and any direct costs are requested from the Consultant. These are sent to BDE within 10 days after of the selection. Upon receipt of this information from the Consultant, the Agreements Unit sends a copy to the Bureau of Accounting and Auditing (BAA) for a pre-award audit. Upon receipt of the proposal package from the district/bureau, the BAA receives any rates not previously submitted to BDE or rates, which differ from those originally, submitted by the Consultant. The BAA will issue an audit report on the rates received to BDE. Then the escalations and extensions are completed. The Agreement Manager discusses any differences with the escalations and extensions, or the audit recommendations, as necessary, with the Consultant, district/bureau, and the BAA until consensus is reached.

Delays in sending wage rates and direct costs to BDE results in a delay in processing the agreement.

After the Agreement is executed, a Contract Obligation Document (COD) form is prepared by the Agreements Unit and submitted to the BAA for approval. A copy of the Agreement is attached to the COD form for BAA submittal to the State Comptroller. Funds, by law, shall be obligated and the Agreement filed with the State Comptroller within 30 days of the date of the agreement.

If the 30-day deadline is not met, a late filing affidavit must be completed by BDE.

On projects using bond funds, the funds shall be released by the Bureau of the Budget. A request memorandum is prepared by the PSU listing such projects. The PSU then notifies the Agreements Unit when the bond funds are released.

The BAA is also responsible for performing a final audit on completed projects. The administering district/bureau should request that the appropriate audit be made at the time the Consultant's final invoice is submitted for payment.

8-3.09 Authority to Proceed**8-3.09(a) Letter of Authorization**

A Letter of Authorization, signed by the appropriate central office bureau chief, or designee, is sent to the Consultant by BDE. A “bluebacked” original of the fully executed Agreement is attached. Copies of the Letter of Authorization are sent to the administering district/bureau and the BDE file with:

- the Agreement;
- an approved COD form, transmitted separately; and
- the FHWA authorization, if Federal funds are utilized.

No payments are to be made to the Consultant until proper Certificates of Insurance are received by BDE.

Prior to issuance of the Letter of Authorization, the Agreements Unit reviews the entire file and ensures that all required clearances for authorization (e.g., by the FHWA, Bureau of the Budget (bond funds), design approval or risk management approval, notification of the administering district/bureau) have been obtained.

8-3.09(b) Risk Management

Authorization to proceed for projects including contract plans is possible without design approval if risk management is approved by BDE. For a project to be considered for risk management, the public involvement process shall be completed, the draft Phase I report shall have been reviewed by the BDE staff, and no Federal funds are used for the engineering.

8-3.09(c) After Authorization

When the work is authorized, the liaison manager reaches agreement with the Consultant on the procedure for work and the percentages of total project for the line items of work to be shown on the monthly progress report. It is imperative that the liaison manager ensures that the appropriate Department personnel and the Consultant are thoroughly familiar with the Agreement and the SAPCS, particularly with Sections 2.24, 2.32, 2.37, and 2.4, because improper procedures under these sections of the SAPCS may preclude payment to the Consultant.

8-3.10 Early Authorization To Proceed**8-3.10(a) Start-Up Agreement**

At the option of the District Engineer or agency head, the District Engineer may authorize the Consultant to begin work by obtaining approval from BDE and signing a Start-up Agreement. The Start-up Agreement is available on all non-Federally funded projects.

Immediately after the final negotiation meeting, the district completes and e-mails a Start-up Agreement request memorandum to BDE. On Phase II projects where the district requests risk management, the risk management request is attached to the Start-up Agreement request. Approval or denial for the Start-up Agreement is e-mailed to the district from BDE within 3 working days of receipt of request. The district works with Office of Planning and Programming to secure approval of additional funds and the program number for any amount over the programmed amount.

The Start-Up Agreement request will not be granted if the disclosures for the Prime and Subconsultants were not submitted and approved.

The district, upon receiving approval from BDE and a complete proposal package from the Consultant, enters into an agreement with the Consultant using the provided Start-up Agreement template. The agreement amount may be for no more than \$200,000 or 25% of the prime agreement amount. The Consultant signs the 3 copies of the agreement first, then the District Engineer signs and dates all 3 copies and at that time authorizes the Consultant to begin work. The Consultant may then work up to the Start-up Agreement amount.

The district sends a copy of the fully executed Start-up Agreement to Preliminary Engineering Section with the completed proposal package within 1 week of signing the Start-up Agreement. Failure to do so might result in a late filing affidavit by the district.

Upon receipt of the Start-up Agreement and the completed proposal package, the Preliminary Engineering Section develops the COD for the Start-up Agreement and proceeds with processing the complete proposal package.

Once the Prime Agreement is executed, it supersedes and includes costs stated in the Start-up Agreement. The Consultant may start, complete, and invoice for the work as specified in the Start-up Agreement. No other work may be started until the Prime Agreement has been executed, and the Consultant authorized.

No supplements may be written on the Start-up Agreement. The Start-up Agreement will not be obligated until the complete proposal is received from the district. The Consultant may not invoice for work until the COD is approved. The Preliminary Engineering Section tracks the Start-up Agreement through their database. Copies of the Start-up Agreement template and request memorandum for the start-up agreement are on IDOT's LAN.

8-3.10(b) Advanced Authorization

Advanced Authorizations are given in special circumstances, and authorize only one or two work items so the project can begin while negotiations and processing of the Prime Agreement are underway. The Advanced Authorization is limited to \$100,000 and is signed by the Secretary of Transportation prior to authorization to proceed is given the Consultant. Work items typically consist of activities such as surveys, soil borings, and analysis, Bridge Condition Reports, Structure Reports, etc.

The recommendation for an Advanced Authorization by the District Engineer and or central office bureau chief is sent to the Director of Highways, through BDE, for concurrence before an Advanced Agreement is prepared. The district or central office bureau chief submits a memo explaining the need for an Advanced Agreement to the Director of Highways through BDE. The Secretary of Transportation must concur in the request on projects where the Consultant was chosen using the Secretary Select procedure.

A detailed description of the selected segment of work to be authorized is prepared enabling the Consultant to prepare a cost estimate for the advanced work quickly. The number of estimated man-hours after being prepared by the Consultant is e-mailed to the district and BDE for processing. BDE prepares and processes the authorization for signature. The Advanced Authorization's upper limit of compensation cannot be exceeded.

Negotiations for the Prime Agreement proceed as soon as practical after selection in accordance with normal procedures. These negotiations include the work effort required for all the work including the Advanced Agreement. The Prime Agreement is prepared for the total scope of work and complete cost, including the Advanced Authorization.

8-4 AGREEMENT ADMINISTRATION AND ADJUSTMENT

8-4.01 General

Administration of the Agreement is the responsibility of the agency (district/bureau) requesting use of a Consultant. The district/bureau is responsible for monitoring the execution and progress of the work.

A liaison manager is assigned and all work, preliminary or completed, and all project correspondence are channeled through the liaison manager. Invoices and progress reports are received by and the liaison manager requests payments. Certificates of Insurance showing that the Consultant has insurance as required by the Agreement shall be on file in BDE. A report listing Consultants with the prescribed insurance is sent by BDE to the districts/bureaus monthly.

The liaison manager is the Department's contact with the Consultant. The liaison manager ensures any changes are negotiated in accordance with the terms of the Agreement and the files are properly documented for all verbal instructions. The liaison manager is also responsible for documenting the Consultant's performance throughout the project and provides the Consultant Performance Evaluation.

8-4.02 Subcontracts by Consulting Engineering Firms

The SAPCS provides that the Department can utilize prequalified Subconsultants upon approval. Approval will be by the Bureau Chief of BDE. A copy of the fully executed subcontract is furnished to BDE before any work is authorized and clearly defines the scope of work, the schedule of completion, and the payment basis. To facilitate review of subcontracts and to standardize the routine provisions that are included in them, see the Prime Subconsultant Agreement located on IDOT's Internet Site. The following items provide additional guidance on subcontracts by Consultants:

1. Individual Professionals and Nonprofessional Work. All subcontracted work by professional Consultants requires negotiation of a subcontract. This does not apply to individual professionals that are on a retainer basis to the Prime Consultant; nor does it apply to nonprofessional work, which shall be obtained by competitive bidding.
2. Supplemental Agreements and Profit. If the scope of work in the Prime Agreement does not include the proposed subcontract work deemed necessary by the district, the Prime compensation and scope of the Prime Agreement is modified by a Supplemental Agreement to include the subcontract work. If the Prime Agreement has a fixed fee for profit that includes profit on items later proposed to be subcontracted, the Prime Agreement shall be modified to exclude profit to the Prime Consultant on subcontracted items (i.e., no double profit).

3. Fee Estimates. The Subconsultant's proposal for work shall contain direct payroll, direct costs, man-hours or units of work, and supported by back-up data as required for a Prime Agreement. The proposed man-hours and direct costs will be approved by the administering district/bureau based upon its estimate of cost and submitted to the responsible central office bureau along with the Subconsultant's proposal. Payroll additive percentages used in the fee estimate shall be approved by the BAA.
4. Payment. The Consultant may bill the Department for the Subconsultant's work as the work progresses. If the method of payment is lump sum or unit of work, payment will be based upon the percentage of work completed as indicated on the Progress Schedule. If the method of payment is DLM or CPFF, payment is based upon the number of man-hours completed. The subcontract provides that the final payment will not be made to the Subconsultant by the Prime Consultant until an affidavit is submitted showing that all obligations incurred by the Subconsultant in performance of the work have been paid in full and final payment shall be made subject to adjustment based on the determinations of the Department's auditors as to the correctness and allowability of the billing.

8-4.03 Supplemental Agreements

8-4.03(a) General

During the course of a Consultant's work on a project, occasions arise where changes in the negotiated work items are identified. The nature of these changes may be such that they can be processed using normal procedures, or they may need to be performed on an expedited basis.

All changes in required schedule, negotiated scope of work, or fee under the Agreement require the Department's written authorization to the Consultant prior to implementation. The Consultant, per the Agreement, forfeits its right to claim additional compensation for added work done prior to receiving written authorization from the Department. It is the liaison manager's responsibility to ensure that any changes are negotiated, agreed to, and authorized in full accordance with the SAPCS and the terms of the Agreement. When the Consultant is notified of changes the Department finds necessary, the notice should clearly state that it is not an authorization to proceed with the changes and advise of the steps necessary to negotiate the change. When in doubt, the liaison manager contacts BDE for procedural advice.

Increases in the negotiated work are accomplished through Supplemental Agreements which include the scope of work to be accomplished, any necessary changes to the project schedule, and the manner of payment with a stated Lump-Sum Amount or Upper Limit of Compensation.

Most Supplemental Agreements are applicable in the following situations:

- extension of time,
- corrections in contract language,

- deletion of work,
- additional work advertised but not previously negotiated, and
- additional level of effort of previously negotiated items.

All Supplemental Agreements must have a Consultant Agreement Approval Sheet (CAAS) approved prior to execution. CAAS states reasons for the additional cost and man-hours for each reason. The CAAS also includes the work items involved, why it is being added, the cost for each item involved, and why the Consultant is entitled to additional compensation.

All Supplemental Agreements are authorized and paid for in accordance with the terms of the Agreement. Normal procedures provide three ways of modifying the Agreement as follows:

- additional work Letter-Form Supplemental Agreements authorized by the District Engineer and accepted by the Consultant,
- Letter-Form Supplemental Agreements signed by the central office bureau chief and accepted by the Consultant, and
- Supplemental Agreements signed by the Consultant and the Secretary of Transportation.

These procedures are applicable as follows:

1. Additional Work. If the Agreement provides for additional work payment, the District Engineer may negotiate and authorize additional work in aggregate up to the lesser of 25% of the prime compensation or \$50,000 if there are no Federal participation or bond funds involved in the costs. The District Engineer approves CAAS for additional work. Additional work authorized by the District Engineer may not be used when adding a Subconsultant or if the additional work increases the contract amount to or by \$250,000 or more in a fiscal year. The total amount authorized in a fiscal year may not exceed \$250,000 (i.e., if authorized in the same year that prime contract plus supplements may not exceed the dollar amount). The terms of the Letter-Form Supplemental Agreement are authorized upon signature by the Consultant who returns a copy to the Department. A copy of the authorization is sent to BDE for fund obligation.
2. Letter-Form Supplemental Agreements. Letter-Form Supplemental Agreements are signed (approved) by the central office bureau chief and sent to the Consultant. CAAS Letter-Form Supplemental Agreements are approved by the central office bureau chief. The terms of the Supplemental Agreement are authorized upon signature by the Consultant who returns a copy to the Department. Letter-Form Supplemental Agreements are applicable in the following situations:
 - partial obligations,
 - transfer of work between Prime Consultant and Subconsultant,

- additional work, and
- no Federal participation or bond funds.

A Supplemental Agreement by Letter-Form Agreement is limited to \$150,000. The cumulative total of Letter-Form Supplemental Agreements is 15% of the prime compensation or \$150,000 whichever is the less. Letter-Form Supplemental Agreements authorized by the appropriate bureau chief may not be used if the additional work increases the contract amount to or by \$250,000 or more in a fiscal year.

3. Supplemental Agreements Signed by the Secretary of Transportation. If the limitations discussed in Items 1 and 2 above are exceeded, a Supplemental Agreement with the appropriate Department signature(s) shall be used. CAAS for Supplemental Agreements are approved by the District Engineer. All procedures for estimates, review, and approval that apply to Agreements also apply to Supplemental Agreements. The liaison manager through man-hour and non-salary direct cost approval will implement negotiation of the Supplemental Agreement. The following information is then submitted to BDE:

- Draft Scope of Work With Schedule (Bar Chart);
- BDE Procedure Memorandum 17-xx;
- Negotiation Meeting Minutes;
- Cost Estimate Of Consulting Services (CECS);
- Average Hourly Rates (Item/Overall);
- Revised QC/QA Plan, if applicable; and
- Direct Costs.

BDE obtains fee approval, finalizes the Supplement Agreement, and obtains FHWA approval, if required, and authorizes the work.

8-4.03(b) Early Authorization To Proceed

The Consultant may be authorized to work on items outside of the negotiated scope once that work is identified and agreed to by all parties. These procedures allow the Consultant to begin/complete the additional work; however, the Consultant may not invoice for the increased work until the Supplemental Agreement has been negotiated, signed, and the contract obligation increased.

Once the need and extent of the additional work is identified by the Department, and negotiations with the Consultant begun, the appropriate district personnel authorizes, by letter, the Consultant to proceed with the work up to a specific dollar amount. The letter should outline the additional work being authorized, the amount being authorized, with a copy of the letter sent to BDE.

Figure 8-4A presents the amounts for prior approval authorization.

Authorization	Amount
Bureau Chief or Studies & Plans Engineer	\$10,000
Program Development Engineer	\$30,000
District Engineer	\$50,000

PRIOR APPROVAL AUTHORIZATION SIGNATURE AUTHORITY
FIGURE 8-4A

Supplemental agreement negotiations should be ongoing. When the total supplemental cost has been negotiated, the required Consultant Agreement Approval Sheet (CAAS) is prepared by the district and submitted electronically to BDE. The CAAS submittal is prior to the district receiving the Supplemental Agreement package from the Consultant. Upon approval of the CAAS, the district may authorize the Consultant in writing to proceed up to the approved dollar amount of the CAAS subject to a maximum of \$240,000 in a fiscal year. At no time shall a Consultant be authorized for over \$240,000 until the full Supplemental Agreement is processed and approved.

This procedure only establishing limits for giving authorization to proceed while Supplemental Agreements are under negotiation and processing. The additional work may not be invoiced until the full Supplemental Agreement is processed and signed. Any additional funding amounts required still must be secured through OP&P.

Figure 8-4B summarizes the dollar and percent limitations to the various Supplemental Agreement options.

TYPE OF ACTION	MAXIMUM ACCUMULATIVE SIZE		AUTHORIZED BY
	Amount	% Of Prime	
District Letter-Form	\$50,000	25%	District Engineer
Letter-Form Supplement	\$150,000	15%	Central Bureau Chief
Supplement	No Max.	No Max.	Secretary of Transportation

Note: If the Supplemental Agreement increases the value of the contract to or by \$250,000 or more in a fiscal year, the Agreement requires the signature of the Secretary of Transportation, Director of Highways, Chief Counsel, and Director of Finance Administration. In these situations, additional work and Letter-Form Supplemental Agreements may not be used.

SUPPLEMENTAL AGREEMENT OPTIONS
(Limitations and Time Required)

Figure 8-4B

8-4.04 Monitoring Consultant's Work**8-4.04(a) Agreement Schedule**

After the work under the Agreement has been authorized, the liaison manager meets with the Consultant. They agree on detailed procedures and progress report percentages for elements of work. They also indicate on the appropriate progress report the calendar days to complete each of the various work elements which should agree with the calendar days indicated in the Agreement Project Schedule. The date due also is indicated on the Progress Report for each work element after authority to proceed with that work element is given. All report forms and invoice forms are provided to the Consultant at this time. Standard forms for this purpose are available through the form button within IDOT and on the Department's internet site.

As work progresses and work elements are approved, the date due for other work elements should be indicated on the Progress Report. These dates should be revised, as needed, if the Consultant's work is stopped or placed on hold by the Department. The "Remarks" column may be used to indicate the date on which the work element was submitted.

The district's liaison manager, or other appropriate official, indicates on the Progress Report if the project is on schedule or behind schedule. If behind schedule, the reason for the delay is stated on the Progress Report; the reverse side of the form may be used if needed.

If it is determined that the work is behind schedule due to factors under the Consultant's control, this is reflected on the Consultant's Performance Evaluation Form.

If work is lagging due to no fault of the Consultant, the liaison manager should make every effort to expedite the work because the Agreement provides for fee renegotiations if completion is delayed beyond the time limits set in the Agreement. If the completion schedule is to be revised, the liaison manager has the Consultant request approval of the revised schedule. A copy of the approved schedule change is then furnished to BDE. If the work is behind schedule due to factors under the Consultant's control, the liaison manager issues written remedial instructions to a principal of the firm. If this fails to correct the problem, it may be necessary for the using agency to recommend termination of the Agreement to BDE. The liaison manager may recommend that the Agreement be terminated for other reasons in the best interest of the Department such as unsatisfactory work or change in Department priorities shifting construction time too far into the future.

8-4.04(b) Documentation

Maintain a complete log in the files of what was decided during all phone calls, meetings, visits, and inspections. Copies are furnished to the Consultant and, for purposes of FHWA audit and/or of documenting performance

8-4.04(c) Consultant Invoices

Consultant invoices should be processed for payment only when the reported percentage of completion is approved. The liaison manager will promptly notify the Consultant if a lesser percentage should be used. Total costs in excess of the approved percentage of completion times the upper limit of compensation should not be approved for partial or final payments. When such higher costs are billed, the liaison manager determines if this is due to Consultant inefficiency and, if so, takes appropriate steps to correct the problem. If overruns are due to underestimation of the negotiated scope by the Department, the liaison manager takes steps to have the limits adjusted; see Section 8-4.03. After invoices are found reasonable, or are corrected to reasonable, and in accordance with the terms of the Agreement, the liaison manager promptly requests the BAA make payment.

8-4.04(d) Federal Funding

When Federal funds are involved in the Agreement, the liaison manager will keep the FHWA representative apprised of the Consultant's work and, if the FHWA requests, arrange to conduct joint reviews of the work.

8-4.05 Evaluation of Consultant's Performance**8-4.05(a) General**

The Department formally evaluates all work performed by Consultants. During the life of a project, the liaison manager informally evaluates a Consultant by keeping lines of communication open, and keeping the Consultant aware of any problems or concerns the Department has with its performance. Among the areas evaluated are:

- Timeliness,
- Completeness of product,
- Plan and Constructibility Quality,
- Cooperation/Management,
- Quality/Accuracy,
- Public Involvement/Agency Coordination, and
- Innovation.

There are some Consultant errors which the Department views as significant and substantial enough to cause the project to be in jeopardy. These are "Fatal flaws" and where these Consultant errors occur, the highest final rating the project may receive is a "Satisfactory," providing the Consultant makes corrections and improves their quality control. These errors result in an interim rating of "Substandard" or "Poor."

Fatal Flaws are defined as:

- errors involving significant structural deficiencies or safety on bridges/structures,
- errors resulting in the Consultant failing to identify significant environmental impacts,
- errors involving substandard geometrics for the specified design criteria,
- inaccurate survey information impacting the project's constructability,
- inappropriate behavior by the Consultant when working with the public,
- false information used by the Consultant in the report documentation, and
- adjustment of letting date or design approval due to late Consultant submittals.

The evaluation process by nature is a subjective process. Although an "Excellent" project is a goal, in practice very few projects are truly "Excellent." An Excellent Project has the following characteristics:

- The submittals contained no major errors and very few minor errors.
- The Consultant during the life of the project was self-managed (e.g., responsive to requests, minimal calls/requests on standard procedures, took lead of project).
- The Consultant was innovative (e.g., focused special resources on issues, perceived and managed problems early and effectively, innovatively used resources/technology, posed solutions which saved the Department significant funds).
- Submissions were not only early, but allowed the Department to advance a letting or advertisement to an earlier date. Consideration will be considered for an accelerated Department dictated timetable.
- The project was cost effective, safe, and considered context-sensitive design.
- Quality presentation of products was acceptable (e.g. spelling, grammar, labeling, links).
- The Consultant maintained a consistent high-quality level of personnel throughout the life of the project.
- Complied with all Department manuals, policies, procedures or explained exceptions with minimal prompting by the Department.
- Consistently promoted a positive Department image and minimized controversy during public involvement.

Eight evaluation forms exist covering the areas of prequalification. These forms are available through IDOT/MS Consultant Performance Evaluation (CPE) Data Base. Contact the Consultant Unit in BDE for access to the data base. The following are areas generally evaluated under each prequalification category. The corresponding definitions are guidelines for evaluating the Consultant's work. The categories are not intended as absolute. Under each evaluation area on the second page of the evaluation forms, the Consultant's performance may

actually fall between the three specified levels. When this is the case, the evaluator should mark the forms accordingly. Consider the following guidelines when evaluating Consultants:

1. Timeliness.

- Exceeds – Consultant submits key items of work consistently early affording the Department the opportunity to advertise the next phase of work on an earlier bulletin.
- Meets – Consultant submits key items of work consistently on or about the time agreed to by both parties.
- Needs Improvement – Consultant submits key items of work consistently past the time agreed to by both parties.

2. Completeness/Adequacy.

- Meets - Consistently on key items of work, the Consultant includes all items in a submittal as specified in Department manuals, policies, procedures and the contract documents.
- Needs Improvement - On key items of work, the Consultant consistently fails to include all items in a submittal as specified in Department manuals, policies, procedures and the contract documents.

3. Quality/Accuracy.

- Exceeds – Consultant submittals contain no major errors and very few minor errors. Minimal hours are expended by Department staff in review of submittals. Presentation of material is clear, concise, and of high quality (e.g., spelling, grammar, labeling, links). The next phase of work experienced little or no major problems/questions attributable to the Consultant. The project thoroughly analyzed the major elements of the project. Maintained a high quality of work with a Department-accelerated schedule.
- Meets – Consultant submissions contain no major errors and some minor errors. Presentation of material is clear, concise, and adequate (e.g., spelling, grammar, labeling, links). The next phase of work experienced the expected problems/questions attributable to the Consultant.
- Needs Improvement – Consultant submissions contain major and minor errors. The Consultant demonstrated low quality presentation of products (e.g., spelling, grammar, labeling, links). The next phase of work experienced

problems/questions attributable to the Consultant. The Consultant showed poor understanding of the work type.

4. Cooperation/Project Management.

- Exceeds – Consultant was consistently available and responsive to and ahead of problems and concerns. The Consultant initiated open and timely communications with the Department. Consultant was consistently self managed.
- Meets – Consultant was available and generally responsive to problems and concerns. The Consultant initiated open and timely communications with the Department. Consultant was self managed at times.
- Needs Improvement – Consultant was generally not available nor responsive to problems and concerns. The Consultant communications with the Department were rarely timely. Consultant continually asked the Department for clarification on standard procedures.

5. Public/Agency Coordination.

- Exceeds – The Consultant independently developed proactive and creative public/agency involvement techniques which both identified and effectively responded in a timely manner to minimize highly controversial issues. The Consultant managed and implemented the public relations program and presented accurate and pertinent project information to the public, news media, and coordinating agencies, which resulted in project acceptance and a positive department image.
- Meets – The Consultant followed Departmental guidelines in performing project coordination with the public, news media, and agencies in such a manner that fulfilled all requirements and resulted in project acceptance and design approval.
- Needs Improvement – Consultant responses were misleading, incorrect, or inflammatory at public/agency involvement meetings. Presentation material (e.g., aerial exhibits, details, tables, data) contained incorrect or conflicting information which reflected negatively on Department, and acceptance of the project design features. The Consultants public/agency involvement program required an over-reliance on Department staff to correct, revise, and present project improvement/mitigation

8-4.05(b) Interim Evaluations

The evaluations are made for both Prime Consultants and Subconsultants at interim and final stages. The interim evaluations are made on or about April 1 and October 1 provided the work has been underway for at least four months. The structural work however requires two interims, one at TS&L and one at prints of the final plan stage, and the final overall evaluation. An interim evaluation accompanies a submittal when returned to the Consultant due to excessive errors/corrections.

All interim evaluations are sent to Consultants at the same time they are transmitted to BDE. Interim evaluations should be sent to the Consultant about 30 days after April 1 and October 1.

The evaluations are a very important tool for both the Consultant and the Department. They provide timely feedback to the Consultant concerning its performance on an active project. The interim evaluation allows the Consultant to correct any deficiencies during the life of the project, in some cases turning what would otherwise have been a bad experience for all involved, into a good one. The responsibilities for completing Consultant evaluations are documented in the following sections.

8-4.05(c) Final Evaluations

After the Consultant completes the work covered in an agreement, final evaluations are prepared by the district and/or bureau for the Consultant and Subconsultant in the appropriate categories. The Department's project manager and his/her supervisor concur and sign the final evaluation. The final evaluation is sent to the District Engineer or bureau chief for concurrence and signature. The final evaluation is then sent to the Consultant and transmitted electronically to the Consultant Unit in BDE using the CPE Data Base.

8-4.05(d) Phase I Studies and Environmental Document Evaluations

The district is solely responsible for completing interim and final evaluations of Consultants performing rehabilitation (3R) projects and Simple Environmental Assessments for Rehabilitation (3R) or Reconstruction/Major Rehabilitation (3R) projects. However, before completing interim or final evaluations of Consultants performing work on these projects, the district will obtain input from the BDE's regional field engineers. The Consultant's ratings should reflect a consensus of the district and the BDE's regional field engineers' knowledge of the Consultant's work.

Before completing interim or final evaluations of Consultants performing Phase I Studies and Complex Environmental Assessments of Reconstruction/Major Rehabilitation (3R) and New Construction/Major Reconstruction projects, the district will obtain input from the BDE's regional field engineers and environmental project coordinators on engineering, environment, and public

involvement evaluation criteria. The interim and final ratings reflect a consensus of the district and BDE's staff experience in working with the Consultant on the project being evaluated.

For interim and final evaluations of Consultants performing Phase I Studies and Environmental Impact Statements of Reconstruction/Major Rehabilitation (3R) and New Construction/Major Reconstruction projects, the BDE's environmental project coordinators will obtain input from the district on the environmental and public involvement evaluation criteria and complete these parts of the form. The form then will be sent to the district. The district also will obtain input from the BDE's regional field engineers on the engineering evaluation criteria and complete the remainder of the form.

8-4.05(e) Structure Plan Evaluations

The performance evaluations of Consultants or Subconsultants preparing structure plans is completed by the Bureau of Bridges and Structures. An interim evaluation is completed on the TS&L plans and on prints of the final plan stage. The final overall evaluation is made after the completed drawings are submitted for letting and takes into account the two interim ratings.

In the case where the completed final plans are not placed on an immediate letting, the district is required to forward a reduced set of bridge plans (prints) to the Bureau of Bridges and Structures (BB&S). This procedure will allow the BB&S to complete its final overall evaluation of the Consultant in a timely manner.

8-4.05(f) Other Evaluations to be Completed by the Districts or Central Bureau

The interim and final performance evaluation of Consultants preparing construction plans, performing specialized studies, surveys, geotechnical engineering, construction engineering, preparing photogrammetric mapping, and other services is completed by the appropriate district personnel. These evaluators may access the CPE Data Base through their computers.

8-4.05(g) Final Project Evaluations

Upon completion of all the final evaluations by category by the district and /or bureaus, a final project evaluation will be prepared by BDE. The final project evaluation is prepared after PE II for PE I work and after construction is complete for PE II and PE III. If the next phase is delayed more than one year, the final project evaluation should be prepared at that time.

Where the project is evaluated by more than one department evaluating entity (e.g., BB&S, Environment), the final evaluations are transmitted to BDE by the District Engineer and/or bureau chief. The BDE calculates the appropriate weighted average for the final project evaluation based on the total negotiated man-hours in each area. This includes any additional hours in the Supplemental Agreement.

If unit prices are involved, the percent attributable to unit prices is first determined (25% of the unit price dollars divided by the total pay for performance amount multiplied by 100) and then the percent for man-hours for each category is determined by dividing the man-hours in that category by 100 minus the percent for unit prices. If a category involves both man-hours and unit prices, the two percentages are combined.

The percent of man-hours is multiplied by the evaluation number shown in Figure 8-4C:

Rating Received	Evaluation Number
Exceed	10
Meets	7
Satisfactory	5
Substandard	3
Poor	0

EVALUATION NUMBER

Figure 8-4C

The final project evaluation rating is the weighted average of all the evaluations as determined in Figure 8-4C.

The final project evaluation rating for the average weighted values are shown in Figure 8-4D.

Average Weighted Value	Final Project Evaluation
9.00-10.00	Excellent
6.50-8.99	Good
4.50-6.49	Satisfactory
3.00-4.49	Substandard
0.00-2.99	Poor

AVERAGE WEIGHTED VALUES

Figure 8-4D

Each evaluating entity receives the weighted evaluation for review and comment with 1 week to comment. If no comments are received or when all comments are reconciled, BDE transmits the completed final project evaluation to the Deputy Director of Program Development for final review. After review by the Deputy Director of Program Development, the final project evaluation is transmitted to the Consultant.

8-4.05(h) Consultant Selection Committee

Performance evaluations are provided to the Consultant Selection Committee as part of the preliminary review and rating information. A five-year average of performance evaluations on

similar types of projects is used for this purpose. The Selection Committee is also apprised of all appeals.

A listing of all evaluations of Substandard or Poor (interim and final) is forwarded to the Consultant Selection Committee. The Consultant Selection Committee considers this information when deliberating at the selection meetings.

8-4.05(i) Below Satisfactory Interim Evaluations

Where a below satisfactory rating is received on an interim evaluation: A substandard or poor rating can be removed based on any of the following conditions:

- Five years has elapsed since the final evaluation of Substandard in a particular category.
- A subsequent interim evaluation on the same project in the same category is satisfactory or better.
- The Consultant meets with the district and/or the central office bureau that made the substandard or poor evaluation and the evaluation for the project is upgraded to satisfactory. This condition involves situations where there has been a misunderstanding between the Department's evaluator and the Consultant.
- The Consultant demonstrates to the district and/or the central office bureau that corrective measures have been taken to correct the less than satisfactory performance. Under this condition, the evaluations will not be removed but marked with an asterisk to indicate that corrective measures have been implemented by the Consultant to the satisfaction of the district and/or the central office.

8-4.05(j) Below Satisfactory Final Evaluations

A final evaluation of "Poor" results in loss of prequalification in the category being rated. Two final evaluations of "Substandard" within five years in a category also results in a loss of prequalification in that category. Occasionally, errors appear during the next phase. If this occurs, the Department reserves the right to revise its final evaluation of the Consultant. If IDOT determines these errors are significant, and the Consultant may be billed for extra costs as a result of the errors.

8-4.05(k) Consultant Appeal Process of Final Evaluation

After receipt of the final evaluation, the Consultant has 30 days in which to appeal a Substandard or Poor evaluation. The appeal is submitted in writing to the Department entity

that prepared the final evaluation (e.g., District Engineer, Bureau of Design and Environment, Bureaus of Bridges and Structures).

When an agreement cannot be reached with the Department entity that prepared the final evaluation, the BDE Bureau Chief reviews the documentation file and the evaluation, and meets with the Consultant and the Department entities involved. If lack of resolution results after meeting with the BDE Bureau Chief, the review and meeting will be advanced to the Deputy Director of Highways. The final appeal will be to the Director of Highways.

8-4.05(l) Pay for Performance

When provided in the Consultant's Agreement, the Consultant's performance is tied to the amount paid the Consultant. The amount varies depending on the final evaluation received for a project. Adequate performance receives no reward. Excellent performance receives a bonus while a poor performance results in a reduction of pay.

Upon submission and approval of the final invoice and final project evaluation determination, the incentive/disincentive will be applied as shown in Figure 8-4E.

Final Project Evaluation Rating	% *
Excellent	5
Good	3
Satisfactory	0
Substandard	-5
Poor	-10

* The percentage is applied to 1 x negotiated direct labor dollars, including all Supplemental Agreements. This amount is stipulated in the Consultant's Agreement.

PROJECT EVALUATION RATING

Figure 8-4E

8-4.06 Completion, Efficiency Factor, and Termination Procedures

8-4.06(a) Completion

When any Consultant Agreement is ended, whether by completion of the work or by termination procedures stipulated in the Agreement, copies of the final voucher request, request for audit, and the final invoice with all its attached documentation resubmitted by the administering agency to BDE. Include the final Consultant Performance Evaluations, see Section 8-4.05, for the Prime Consultant and any major Subconsultants.

Upon receipt of a final audit by the BAA, the agency prepares a COD deobligating excess funds for jobs that have reduced costs. The COD is submitted to the BAA with a copy to the Agreements Unit. This completes the closeout procedures for projects, which are not programmed for Federal fund participation. If the final audit recommends increasing the Agreement amount, a COD is prepared by BDE.

The agency must submit the following additional documentation to the BAA for all programmed Federal-aid projects when completed (after final costs are confirmed by the BAA audit):

- the date all work was completed or the Agreement was terminated;
- a list of all authorization dates from the FHWA, for work authorized on the project, to verify that it is participating;
- a list of all construction sections under the specific preliminary engineering Agreement. In the event the Agreement is for work other than construction plans, the type of work should be listed and its acceptance verified (e.g., “the report was approved by _____ (name) on _____ (date) _____,” or “the Soils Committee approved the soils report on _____ (date) _____”); and
- method of payment stipulated in the Agreement. Note all the methods and areas of application if several methods of payment are used.

8-4.06(b) Efficiency Factor

When provided in a Consultant Agreement, the Consultant has the opportunity to share with the Department in any direct labor cost savings achieved by the Consultant from the original direct labor estimated between the two parties. Upon submission and approval of the final bill, when the negotiated direct labor cost upper limit is not reached, the Consultant will be entitled to 50% of these remaining funds. This will not apply on Various/Various work order agreements and on Phase III projects.

The efficiency factor is applied as follows:

1. DLM. The district negotiates man-hours and the upper limit of compensation as in the past. When the actual payroll multiplied by the specified multiplier (3+R) is less than the negotiated payroll multiplied by the specified multiplier, the Consultant is entitled to 50% of the difference. When the final bill is submitted and approved, the district requests the Consultant to submit a bill for 50% of the remaining funds when the direct labor upper limit is not reached.
2. CPFF. An efficiency factor will also be applied to those contracts using the cost plus fixed fee method. When the contract's direct labor cost upper limit is not reached, the

Consultant will receive 50% of the difference between negotiated and actual direct labor plus overhead.

Subconsultants will be compensated in the same manner as the prime consultant.

8-4.06(c) Termination

If an administering agency desires to terminate an Agreement, a memorandum recommending termination will be submitted to the central office. The memorandum will include:

- the reasons for recommending termination,
- the percentage of work completed,
- the percentage of fee expended, and
- an estimate of the cost and time required to complete the work, if applicable.

Upon receipt of central office's approval, the agency follows the termination procedures stipulated in the Agreement. Copies of all correspondence are sent to BDE.

8-4.07 Reassignment of Vested Interest in an Agreement to Another Consultant

Occasionally, it is necessary to assign a working agreement to another Consultant because of an ownership or organizational change (e.g., dissolution of the firm, death of a principal, absorption of the firm by corporate expansion, a partnership change). The existing Agreement is kept in force by an Assignment to the new legal entity.

The Assignment is a legal document that transfers all rights, obligations, and interests in the Agreement from the original Consultant (the assignor) to the new Consultant (the assignee). It must be properly executed in triplicate by the assignor and the assignee and then submitted to IDOT for acceptance and signature. A copy of the Assignment is returned to the assignor and assignee when fully executed. BDE Form 2364 may be used as a guide in determining whether the Assignment contains the essential elements. It is available on the IDOT's internet site.

If there is no ownership or management change and the change is only related to name, address, absorbing another firm, or adding personnel to the firm which is party to the Agreement, a notice of the Assignment, authorization to make payment to the new Consultant, and release of obligation executed by the assignor is sufficient to continue the Agreement work and payments.

The Agreements Unit makes distribution of information on the reassignment of a Consultant to the affected district/bureau and the BAA.

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8-5 CLAIMS

8-5.01 Damage Due to Consultant Errors and/or Omissions

By contract, a Consultant is responsible for damages incurred by the Department as a result of his/her errors or omissions. When the Department believes a fair and equitable price for an omission is obtained from the Contractor and the cost would have normally been occurred by the nature of the contract, the Consultant typically is not charged damages for his/her omissions.

8-5.01(a) Errors By PE I Consultant Discovered During PE II

The district/bureau will notify the Agreements Unit if errors in the PE I work have occurred that will result in additional cost. The notification should describe the situation, the corrective measures that result, and the amount of the Consultant's liability. The letter of notification should be similar to the samples in Exhibit 3 in Section 8-6; also see Section 8-5.01(b). If the district/bureau deems it practical, the Consultant responsible for the error may be given the opportunity to assist in making the corrections to reduce his/her financial liability.

8-5.01(b) Errors By PE II or III Consultant Discovered During Construction

When an error or omission is found resulting in damages to the Department and is believed to be caused by the Consultant, the District's Bureau of Project Implementation or the Bureau Chief responsible for the phase of work where the error was discovered first determines if time is critical and then:

1. Where Time is Not Critical. Notify the Program Development Engineer or the appropriate Department office immediately. The Department's Consultant Manager notifies the Consultant firm of the error or omission either by e-mail, fax, or mail. The Consultant is given an opportunity to be involved in the resolution of the error or omission along with the timetable involved. After the investigation, if the error or omission is determined not to be the Consultant's responsibility, the firm may submit an invoice for the hours used during the investigation. For a sample letter of notification see Exhibit 3 in Section 8-6. The fact that the Consultant provided assistance in the resolution of the error or omission will not be construed as neither absolving the Consultant of his/her portion of the damages nor implying the Consultant's responsibility for the damages.
2. Where Time is Critical. Notify the Program Development Engineer or the appropriate Department office of the error and also identify the steps that were taken to remedy the error. If the Department determines the error is the Consultant firm's responsibility, the Department's Consultant Manager notifies the Consultant firm of the error and the

remedy by e-mail, fax, or mail. For a sample letter of notification see Exhibit 3 in Section 8-6.

The initial notification to the Consultant firm includes: (1) the nature of the error or omission, (2) the action sought from the Consultant, if any, and (3) the time constraints required for the response or the solution recommended for implementation. The extent of liability for the error may be determined at a later time and is not included in the initial notification. A copy of the notification is sent to the BDE.

The Bureau of Project Implementation corrects the error or omission and submits the contractor's authorization (BC 22) to the Central Office Bureau of Construction. The BC 22 should provide detailed information on the cost to correct the error or omission and a memorandum from the district Bureau of Program Development that indicates that the Consultant is responsible for the error or omission. The Bureau of Construction then forwards a copy of the BC 22 and all documentation to BDE and indicates the amount to be billed to the Consultant.

8-5.01(c) Notifying Consultant of the Cost of the Errors or Omissions

The Agreements Unit in BDE will notify the Consultant of the amount and extent of liability of the Consultant resulting from the errors and/or omissions. The Consultant will be given 30 days to respond to the notification indicating either their agreement that they are responsible for the claim or their intent to appeal the claim. A Consultant may request an extension of that 30 days for more complex situations so there is sufficient time to investigate the matter. If the Consultant agrees that they are responsible for the claim, an invoice will be sent to the firm as set forth in Section 8-5.01(f). If the Consultant does not agree that they are responsible either totally or partially, follow the dispute resolution process in Section 8-5.01(e).

8-5.01(d) Errors and Omissions Threshold (EOT)

In recognition that the Department is not seeking a level of effort required to produce a perfect product and in order to reduce the time and expense for both the Department and the Consultant in processing claims for minor dollar amounts, an EOT will be used. Claims for damages involving errors and/or omissions are not to be billed to the Consultant unless the damages exceed the EOT. The EOT is defined as $\frac{1}{2}$ of 1% of the amount of the construction project or \$5,000, whichever is less. Errors and omissions are defined in the Standard Agreement Provisions for Consultant Services. In addition, no bill less than \$1,000 shall be sent to the Consultant. The amount billed is the total amount exceeding the EOT not previously billed, if \$1,000 or greater, and may be from one or more occurrences.

Where a Consultant designed multiple projects under one consultant contract, there will be a separate EOT for each project (e.g., one Phase I report for multiple Phase II projects, one Phase II contract for multiple construction contracts).

8-5.01(e) Dispute Resolution

In the engineering contract, the Department and the Consultant agree to work together on a basis of good faith and fair dealings. If the Consultant does not agree that they are responsible for the errors or omissions, they have 30 days to respond in writing to BDE that they intend to appeal the claim. The appeals are to be submitted in writing to the district, with a copy to the BDE, no later than 6 months after notification by the Department of damages.

The district will review the Consultant's appeal and then inform the Consultant of the results of the Department's review of the Consultant's appeal. If the Consultant then agrees that they are responsible for the claim, an invoice will be sent as set forth in Section 8-5.01(f).

After the District Engineer makes a final determination and the Consultant still does not agree that they are responsible for the claim, they may request that BDE review their position. If BDE upholds the District Engineer's findings that the Consultant is responsible for the claim, the Consultant may request a review by the Director of Highways.

After the Director of Highways has completed his/her review, a letter will be sent to the Consultant indicating the results of their appeal. The letter will advise the Consultant that BDE will be sending an invoice for the claim, if appropriate. The Director's written response is final and concludes the appeal process.

The Consultant may request an opportunity to present the appeal orally at any of the appeal levels.

8-5.01(f) Obtaining Reimbursement for Consultant Errors or Omissions

If the Consultant agrees that they are responsible for the errors and/or omissions or the dispute resolution process has been completed with a finding of Consultant responsibility, BDE will send an invoice to the Consultant. Procedures for processing invoices and accounts receivables are contained in the *Revenue Accounting Manual* which is available on the Department's local area network (LAN) site under Resources. The "Payment Due Date" on the invoice should be 30-45 days from the date of the invoice. If payment is not received by the due date, use the collection procedures described in Chapter 4 of the *Revenue Accounting Manual*. If those procedures fail, refer the matter in writing to the Bureau of Claims in the Office of the Chief Counsel. The referral to the Bureau of Claims should include all correspondence from the appeal and collection processes.

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8-6 EXHIBITS

The following exhibits are for use on Consultant developed and /or design projects:

Exhibit 1 – Guidelines for Preparing PTB Project Advertisements.

Exhibit 2 – Complexity Factors.

Exhibit 3 – Sample letters of notification.

EXHIBIT 1**Guidelines for Preparing PTB Project Advertisements**

Page setup for margins:

Top = 1 inch

Bottom = 1 inch

Left = 1-1/2 inches

Right = 1 inch

Font = Arial 11

FULL JUSTIFY TEXT

The text shown in the shaded area contains wording as it should appear in the PTB Item description.

Description: Bold and Underline: Job Number, Route (Name, if applicable), from, to, County, & District (spell out district number)

Job No. D-91-123-12, I-77 (FA 555) (Mine Road), from US 45 (Yours Ave.) to I-67 (Ours Tollway), Cook County, District One.

Bold: DBE requirement, if applicable (required for projects with estimated fees of \$400,000 or greater):

- **15.00% for District One**
- **12.00% for District Eight**
- **10.00% for all other Districts**

This project requires 10.00% DBE participation.

Complexity factor, where the complexity factor is defined as (R)

Direct Labor Multiple (DLM), R = 0, 0.003 or 0.008;

Cost Plus, R = 0, 0.035, or 0.07

The Complexity Factor for this project is 0.035.

First meeting: Date, time, and location, (should be no earlier than the week following selection):

The Consultant who is selected for this project is scheduled to attend a negotiation meeting on January 1, 2020 at 9:00 A.M. at the District Twenty Office in Heaven.

Description of services required: Begins with: **Phase (I, II, or III) engineering services are required for**

Include here if the project is to be in metric or English.

All work for this project will be in English units.

Second paragraph, if needed, begins with:

This project includes followed by additional descriptions and or work required.

When multiple structures are included in the project, list with bullet points each structure including structure number.

- XYZ Road over 123 Road (S.N. 001-5432)
- UVW Road over 123 Road (S.N. 001-2468)

Add what the Department will furnish. Begin with:

The department will furnish the Consultant with.....

Construction Costs/Completion dates:

The estimated construction cost for this project is \$_____. The Consultant's work includes [plans, special provisions, estimates, if listing several items use bullet points](the final report etc.) This contract must be completed by _____or This work shall be completed within _____ months after authorization to proceed.

When the district has additional requirements to be shown on Exhibit A, the requirements should be listed as bullet points. A statement requiring Exhibit A to be submitted for all projects is in the front of the bulletin and this requirement should not be restated. The Consultant must list all key personnel on Exhibit A.

If key personnel are listed, use the following applicable dotpoints for Phase I and II projects, modify to meet project's specific requirements.

Key personnel listed on **Exhibit A** [& **B** for Environmental and Location Study projects] for this project must include:

- The person who will assume the duties of Project Manager for all aspects of the work documents (must be an Illinois Licensed Professional Engineer).
- The person who will perform the duties of Project Engineer, that individual in charge who is directly involved in the development of the contract documents (must be an Illinois Licensed Professional Engineer).
- The person who will perform the work in the area of structure plan preparation documents (must be an Illinois Licensed Structural Engineer). In addition, the staff performing this work must be identified.
- The person who will perform/supervise the work in the area of drainage calculations and preparation of the Drainage Report (must be an Illinois Licensed Professional Engineer).

For projects without Structures:

- The person who will perform the QC/QA review work of all milestone submittal documents (must be an Illinois Licensed Professional Engineer).

For project with Structures:

- The person who will perform the QC/QA review work of all milestone submittal documents (must be an Illinois Licensed Professional Engineer for roadway work and must be an Illinois Licensed Structural Engineer for structural work with adequate plan review experience).

For Environmental projects:

- The Environmental Lead, who will be responsible for the day-to-day management of the environmental work effort, and persons responsible for all environmental disciplines including air quality, water quality, traffic noise, socio-economics and ecology.

For Phase III Construction Inspection projects, use the following:

- The Liaison Engineer.
- The Materials Coordinator.
- The Documentation Technician. (The person actively performing the documentation on the project must possess a current IDOT Construction Documentation certificate.)
- The Materials QA Technician.
- The Survey Chief.

There may be other key staff that need to be identified, but these are the ones most typically used.

Projects involving Location Design Studies, Reconstruction/Major Reconstruction, and New Construction/Major Reconstruction, and all Environmental Reports require the completion of Exhibit B which is stated in the Instructions for Submitting SOI's. If the district requests experience in other categories use the following:

EXAMPLE: List experience of the staff and/or firm in accomplishing Highway, Structures Complex projects. Do not list more than five projects.

Prequalification Categories: The prequalification categories listed for the prime should be the categories required to do the major portion of the work. **(Bold prequalification categories.)** Firms must be prequalified in **Drainage** and **Lighting** to be considered for this project.

Land Survey work required under a Phase I and/or Phase II project should be considered carefully. If the district determines it needs to be done by the prime it should be listed as **Land Surveys** under the prequalification categories. If it (or another category) may be subbed out, add the following sentence: Firms must also be prequalified in **Land Surveys** (or subcontract the Land Surveying work to a firm that is prequalified in this category).

Until the policies are revised, include the following paragraph for projects requiring Simple Environmental Assessment and/or Complex Environmental Assessment:

The prime Consultant must be prequalified in **Environmental Reports (Simple or Complex Environmental Assessment)** and must perform all of the environmental work using staff that has been presented in your most recently approved Statement of Experience and Financial Condition or your firm may use a single subconsulting firm that is prequalified in **Environmental Reports (Simple or Complex Environmental Assessment)** to perform all of the environmental work. The subconsultant's staff must be the same as presented in their most recently approved Statement of Experience and Financial Condition.

Last statement: The clause "including resumes of the key people noted above," is included only when applicable. Statements of Interest, including resumes of the key people noted above, must be submitted concurrently to the Central Bureau of Design and Environment and the District Engineer in District Twenty.

Sample Advertisement #1**Job No. D-91-109-00, FAI 57 from I-80 to the Little Calumet River, Cook County, District One.**

This project requires 15.00% DBE participation.

The **Complexity Factor** for this project is **0.003**.

The Consultant who is selected for this project is scheduled to attend a negotiation meeting on **June 19, 2000 at 9:00 A.M.** at the District One Office in **Schaumburg**.

Phase II engineering services are required for the preparation of contract plans, estimates and special provisions for the resurfacing of I-57 from I-80 to the Little Calumet River (10.6 kilometers) and include the rehabilitation of eleven (11) structures. The Consultant's work will include the preparation of contract plans, specifications and estimates including pick-up survey, type, size and location and structure plans, highway drainage design, traffic staging plans, traffic sign modifications, lighting plans, guardrail and barrier modifications, and all other work required to complete the project. All work will be in metric units.

The construction of the rehabilitation of I-57 will be completed in two phases. Phase I will consist of the rehabilitation of northbound I-57 and Phase II will consist of the rehabilitation of southbound I-57. In general, each phase will consist of closing the structures one-half at a time and maintaining two lanes of traffic. A separate set of plans will be required for each phase.

Bridge deck removal and replacement and substructure rehabilitation are the anticipated scope of work for the following structures:

- N.B. I-57 over Little Calumet River/Thornton Road (S.N. 016-0060)
This structure is a four (4) unit multi span structure (14 spans), 17.68 m wide and 311.33 m long.
- S.B. I-57 over Little Calumet River/Thornton Road (S.N. 016-1061)
This structure is a three (3) unit multi span structure (12 spans), 17.18 m wide and 303.14 m long.
- N.B. & S.B. I-57 over 143rd Street and Railroad (S.N. 016-0058 & 016-0059)
Both structures are two (2) unit multi span (five and three span) structures, 16.62 m wide and 280.24 m long.
- N.B. & S.B. I-57 over Dixie Highway (S.N. 016-0056 & 016-0057)
This is a three (3) span structure with a suspended center span. The roadway width for northbound and southbound is 20.12 m and 17.68 m, respectively. Both structures are 73.4 m long.

- N.B. & S.B. I-57 over 147th Street (S.N. 016-0054 & 016-055)
This is a three (3) span structure with the center span cantilevered into the end spans. The roadway width is 17.68 m and both structures are 61.98 m long.
- N.B. & S.B. I-57 over 149th Street (S.N. 016-1051 and 016-1012)
This is a single span structure varying in width from 20.12 m to 26.33 m and is 12.5 m long.
- 167th Street over I-57 N.B. & S.B. (S.N. 016-2125)
This structure is a two (2) span structure with vaulted precast prestressed end spans. The roadway is 26.37 m wide and the structure is 100.2 m long.

The Consultant will be required to prepare the roadway portion of the plans using MicroStation and GEOPAK software as utilized by the department.

The department will furnish the Consultant with the Design Report, Bridge Condition Report, available microfilm plans, available soils information, right-of-way plans and all available survey information.

The plans for Phase I will be completed by July 31, 2001 and Phase II will be completed by May 1, 2002. The estimated construction cost of this project is \$25,000,000.

Key personnel listed on **Exhibit A** for this project must include:

- The person who will assume the duties of Project Manager for all aspects of the work documents (must be an Illinois Licensed Professional Engineer).
- The person who will perform the duties of Project Engineer, that individual in charge who is directly involved in the development of the contract documents (must be an Illinois Licensed Professional Engineer).
- The person who will perform the work in the area of structure plan preparation documents (must be an Illinois Licensed Structural Engineer). In addition, the staff performing this work must be identified.
- The person who will perform/supervise the work in the area of drainage calculations and preparation of the Drainage Report (must be an Illinois Licensed Professional Engineer).
- The person who will perform the QC/QA review work of all milestone submittal documents (must be an Illinois Licensed Professional Engineer for roadway work and must be an Illinois Licensed Structural Engineer for structural work with adequate plan review experience).

Firms must be prequalified in **Highways (Freeways)** and **Structures (Highway: Typical)** to be considered for this project.

Statements of Interest, including resumes of the key people noted above, must be submitted concurrently to the Central Bureau of Design and Environment and the District Engineer in District One.

Sample Advertisement #2 (requiring Environmental Prequalification)**Job No. D-92-101-00, US 20 (FA 401), East of IL 26 to East of IL 75, Stephenson County, District Two.**

This project requires 10.00% DBE participation.

The **Complexity Factor** for this project is **0.003**.

The Consultant selected for this project is scheduled to attend a scope of services meeting on **June 21, 2000** from **10:00 A.M.** to **4:00 P.M.** at the District Two Office in **Dixon**.

Phase I and II engineering services are required for the preparation of a reevaluation of the original Environmental Impact Statement, upgrading the original interchange design studies and preparing contract plans for upgrading a partially constructed expressway to a completed freeway on US 20 (Freeport Bypass) northeast of Freeport. All plans will be completed in English units and all NEPA documents must be in dual units.

The location of the Phase II plan preparation and all required right of way documents is along US 20 for a distance of approximately 3.6 miles from east of the existing IL 26 interchange through the partially constructed IL 75 interchange, all on an existing expressway alignment. The project will include preparation of grade separation type, size and location drawings, updated interchange design studies, necessary drainage studies and contract plans, special provisions and estimates for the completed freeway. Type, size and location drawings are required for the following structures:

- Tower Road over US 20 (New Structure)
- US 20 over IL 75 (Interchange Design)

A complete survey of the project will be provided to the Consultant. The Consultant's work will include basic data collection, preparing/updating of environmental technical studies and all other work required to reevaluate the original Environmental Impact Statement (EIS) from Business US 20 east of Freeport to IL 26.

The Consultant is to prepare the plans using MicroStation and GEOPAK software as utilized by the department.

The department will furnish the Consultant with any available as-built plans, microfilm plans, field notes, traffic information, accident statistics, agency coordination, the approved Design Report and Environmental Impact Statement, the existing right-of-way plats, boring logs and pavement design.

The project is currently scheduled for construction in FY 2004.

The estimated construction cost for this project is \$12,000,000. The Consultant's work will include the preparation of contract plans. This contract must be completed within 18 months after authorization to proceed.

Key personnel listed on **Exhibits A and B** for this project must include:

- The person who will assume the duties of Project Manager for all aspects of the work (must be an Illinois Licensed Professional Engineer).
- The person who will perform the duties of Project Engineer, that individual in charge who is directly involved in the development of the contract documents (must be an Illinois Licensed Professional Engineer).
- The person who will perform the work in the area of structure plan preparation (must be an Illinois Licensed Structural Engineer). In addition, the staff performing this work must be identified.
- The person who will perform/supervise the work in the area of drainage design and preparation of the Drainage Report (must be an Illinois Licensed Professional Engineer).
- The person who will perform the QC/QA review work of all milestone submittals (must be an Illinois Licensed Professional Engineer for roadway work and must be an Illinois Licensed Structural Engineer with adequate plan review experience for structure work).
- The Environmental Lead, who will be responsible for the day-to-day management of the environmental work effort, and persons responsible for all environmental disciplines including air quality, water quality, traffic noise, socio-economics and ecology.

Firms must be prequalified in **Location/Design Studies (New Construction/Major Reconstruction)**, **Environmental Reports (Complex Environmental Assessment)**, **Highways (Freeways)** and **Structures (Highway: Advanced Typical)** to be considered for this project.

The prime Consultant must be prequalified in **Environmental Reports (Complex Environmental Assessment)** and must perform all of the environmental work using staff that has been presented in your most recently approved Statement of Experience and Financial Condition or your firm may use a single subconsulting firm that is prequalified in **Environmental Reports (Complex Environmental Assessment)** to perform all of the environmental work. The subconsultant's staff must be the same as presented in their most recently approved Statement of Experience and Financial Condition.

Statements of Interest, including resumes of the key people noted above, must be submitted concurrently to the Central Bureau of Design and Environment and the District Engineer in District Two.

EXHIBIT 2

COMPLEXITY FACTORS

The complexity factor is given for each Item in the Professional Transportation Bulletin. The complexity factor may not be the same for each phase on multi-phase projects. The complexity factor set for the project or phase will also apply to subcontracted work. The published complexity factor is not open to negotiation.

LOW COMPLEXITY * DLM (R=0) ** CPFF (R=0)	MEDIUM COMPLEXITY DLM (R = 0.003) CPFF (R = 0.035)	HIGH COMPLEXITY DLM (R = 0.008) CPFF (R = 0.07)
Location/Design Report (Rehabilitation)	Location/Design Report (Reconstruction/Major Rehabilitation)	Location/Design Report (New Construction/Major Reconstruction)
Simple Environmental Assessment Small Rural Projects Surveys Roads and Streets	Complex Environment Assessment Small Urban Projects Freeways Freeway Interchanges Projects on New Alignment	Environmental Impact Statement Major Urban Freeways Multi-level Interchanges
Highway Structures: Simple Construction Engineering (Rural Freeway) Traffic Signals Location Drainage Studies	Highway Structures: Typical Railroad Structures Construction Engineering (Urban Freeway & Major Structures)	Highway Structures: Advanced Typical Highway Structures: Complex Major River Bridges
Lighting Aerial Mapping Asbestos Abatement	Traffic Signals (SCAT) Hazardous Waste	Movable Bridges Major Engineering Studies Requiring Special Expertise Traffic Signals with Railroad Interconnect
Pumping Stations Subsurface Utility Engineering (SUE)	Hydraulic Reports, Waterways: Typical Hydraulic Reports, Pump Stations Quality Assurance: Typical Bituminous Mix Designs: Typical Geotechnical Engineering: Typical	Hydraulic Reports, Waterways: Complex Quality Assurance: Complex Bituminous Mix Designs: Complex Geotechnical Engineering: Complex

***DIRECT LABOR MULTIPLE PROJECTS (DLM)**

$(3 + R) DL + DC = \text{Total Project Cost (other than PE III)}$

$(2.8 + R) DL + DC = \text{Total Project Cost (PE III)}$

****COST PLUS FIXED FEE PROJECTS (CPFF)**

$DL + OH + DC + FF = \text{Total Project Cost}$

FIXED FEE OR PROFIT (FF)

$0.145 [DL + R (DL) + OH (DL) + \text{In-house DC}]$

WHERE: DC = Direct Cost

R = Complexity Factor

DL = Direct Labor

OH = Overhead

EXHIBIT 3**WHERE TIME IS NOT CRITICAL**

SUBJECT: PRELIMINARY ENGINEERING

Agreements

Phase

Route:

Section:

County:

Job No:

Project: (if applicable)

Contract No:

PTB No.:

Consultant's contact

Consultant's Name

Address

Dear *(Consultant Contact)*:

This letter is *(a follow-up to a phone conversation/fax regarding);(to inform you of)* an error/omission discovered in the plans for the subject improvement. The error/omission is *(describe the nature of error/omission and where it is located within the plans)*. Additionally, we are asking you to *(explain the actions sought from the consultant)*. A response to this request is required by *(insert date)*.

Any additional costs incurred by the Department resulting from the aforescribed error/omission may be the responsibility of your firm and reimbursement may be requested. A letter outlining the additional costs/damages along with an invoice will be sent to you at a later date if the error/omission is determined to be your firm's responsibility. If the error/omission is determined not to be the responsibility of your firm, you may submit an invoice for costs incurred during the investigation and recommendation of corrective action.

If you have any questions/concerns regarding this matter, please contact *(district contact person for the project)* at *(phone number)*.

Vty

DE

By

PDE

WHERE TIME IS CRITICAL

SUBJECT: PRELIMINARY ENGINEERING

Agreements

Phase

Route:

Section:

County:

Job No:

Project: (if applicable)

Contract No:

PTB No.:

Consultant's contact

Consultant's Name

Address

Dear *(consultant contact)*:

This letter is *(a follow-up to a phone conversation/fax regarding);(to inform you of)* an error/omission discovered in the plans for the subject improvement. The error/omission is *(describe the nature of error/omission and where it is located within the plans)*.

Time constraints required the Department to take immediate corrective action. The actions taken *(describe corrective measures/actions)*.

Any additional costs incurred by the Department resulting from the aforescribed error/omission may be the responsibility of your firm and reimbursement may be requested. A letter outlining the additional costs/damages along with an invoice will be sent to you at a later date if the error/omission is determined to be your firm's responsibility. If the error/omission is determined not to be the responsibility of your firm, no further action is required on your firm's behalf.

If you have any questions/concerns regarding this matter, please contact *(district contact person for the project)* at *(phone number)*.

Vty

DE

By

PDE

